

**In the Supreme Court
of the United States**

TERM 1971

No. 70-314

BRUNETTE MACHINE WORKS LTD., *Petitioner,*

vs.

KOCKUM INDUSTRIES, INC., *Respondent.*

*On Writ of Certiorari to the United States
Court of Appeals for the Ninth Circuit*

REPLY BRIEF FOR PETITIONER

In support of its position that § 1391(d) rather than § 1400(b) controls as to alien defendants in patent infringement suits, Kockum and Amicus Amerace Esna Corporation rely principally on the Reviser's Note to § 1391(d), 28 U.S.C.A., p. 62:

"Subsection (d) of this section is added to give statutory recognition to the weight of authority concerning a rule of venue as to which there has been a sharp conflict of decisions. See (*Sandusky Foundry and Machine Co. v. De Lavand-* [sic], 1918, D.C. Ohio, 251 F. 631, 632, and

cases cited. See also *Keating v. Pennsylvania Co.*, 1917, D.C. Ohio, 245 F. 155 and cases cited)."

The *Sandusky* and *Keating* cases were decided within about a year of each other by Judge Westenhaver sitting in the District Court in Ohio. *Keating*, the first-decided case, was not a patent case. It held that an alien was subject to suit in any district where service could be effected. In support of that holding the court cited *Re Hohorst*, 150 U.S. 653 (1938); *Barrow Steamship Co. v. Kane*, 170 U.S. 100 (1898); *Wind River Lumber Co. v. Frankfort M., A. & P.G. Ins. Co.*, 9 Cir. 1912, 196 F. 340. *Hohorst* was the only one of these three cases which involved an alien defendant in a patent case and it had been decided prior to the change in the law of venue brought about by enactment of the first specific venue statute for patent infringement suits.¹

In 1918 Judge Westenhaver decided *Sandusky*, which was a patent case involving an alien defendant. That decision turned on the fact that the alien defendant had appeared generally and answered the complaint prior to making his motion to dismiss. Under those circumstances the court correctly held that the defendant had waived venue. In support of his dictum in that opinion that aliens may be sued in any district in which process may be served on them, Judge Westenhaver relied on his prior decision in *Keating* and cases there cited.

We thus see that the two cases mentioned in the

¹ Act of March 3, 1897, c. 395, 29 Stat. 695.

Reviser's Note were decided by a judge who relied on his first decision as authority for his second. Apparently, Judge Westenhaver never took into consideration in his first decision (*Keating*) that the sole patent case relied on by him (*Hohorst*) had been modified by the Act of 1897 which supplied a new special venue statute controlling for all defendants in patent infringement suits. To the extent that *Hohorst* and cases which followed it have held that alien patent defendants could be sued in any district, they have been overruled by the special venue statute of 1897 and its successors, such as § 1400(b). The correctness of this view of the law was established by this Court's decision in *Stonite*² which held that the special patent venue statute was "the exclusive provision controlling venue in patent infringement proceedings." That holding was reaffirmed in *Fourco*³ where the Court specifically emphasized that § 1400(b) was applicable to all defendants . . . in patent infringement actions."

Referring to what Kockum has characterized as the "better-reasoned cases since enactment of the 1948 Judicial Code,"⁴ we find that four of them came out of two district courts.⁵ These cases relied on each

² *Stonite Products Co. v. Lloyd Co.*, (1942) 315 U.S. 561, 563.

³ *Fourco Glass Co. v. Transmirra Prod. Corp.*, (1957) 353 U.S. 222, 228.

⁴ Brief of Respondent, p. 12.

⁵ *Olin Mathieson Chemical Corp. v. Molins Organizations, Ltd.*, (E.D. Va., 1966) 261 F. Supp. 436; *Deering Milliken Research Corp. v. Vecchioni*, (E.D. Va., 1970) 168 U.S.P.Q. 59; *Chas. Pfizer & Co v. Laboratori Pro-ter Prodotti Therapeutici*, S.D. N.Y., 1967) 278 F. Supp. 148; *SCM Corporation v. Brother International Corporation*, (S.D. N.Y., 1970) 316 F. Supp. 1328.

other and on the *Sandusky* line of cases as authorities. The other case is simply based on the *Olin* and *Pfizer* cases.⁶

The rationale of all these cases as expressed in *Pfizer* is that patent owners must be protected from "foreign infringers" who with impunity might flood this country with infringements. This is simply not the situation. Domestic patent owners have more than adequate protection as pointed out in our opening brief, pages 11-15.

The situation with respect to the relief available to the present patent owner, Kockum, is not unlike that in the other cases with which we are familiar. Kockum sued Brunette's licensee, Salem Equipment, for infringement of the two patents in question in the Oregon District Court and the case is awaiting oral argument in the court of appeals.⁷ Kockum also sued Brunette in Canada on the counterpart patents which case is awaiting trial.⁸ If the present case must be tried there will have been two cases in this country and one in Canada on the identical inventive concepts. Such a redundancy of litigation over basically the same patents is not in keeping with this Court's most recent pronouncements against the expense and multiplicity of patent law suits involving the same patents.⁹

⁶ *Deering Milliken Research Corp. v. Stahlecker*, (D.S.C., 1969) 166 U.S.P.Q. 321.

⁷ *Kockum Industries, Inc. v. Salem Equipment, Inc. et al*, (9 Cir.), Appeal Nos. 25870 and 25874.

⁸ *Kockums Mekahiska Verkstads Aktiebolag v. Brunette Machine Works Limited et al*, Court No. B-2958.

⁹ *Blonder-Tongue Labs. v. University Foundation*, 402 U.S. 313, 334-348 (1971).

Nor are the other two decisions, *Keller*¹⁰ and *Japan Gas Lighter*,¹¹ relied on by Kockum pertinent authorities. *Keller* granted a motion to dismiss because service of process was not made in the proper district. The dictum in the opinion quoted by Kockum at page 10 of its brief, once again depends on *Sandusky* and its line of cases. The decision in *Japan Gas Lighter* turned on the fact that because it was a declaratory judgment action rather than a suit for patent infringement, the general provisions of § 1391 controlled.

"Of such materials are authorities sometimes constructed."¹²

Dated Portland, Oregon, March 14, 1972.

Respectfully submitted,

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¹⁰ *Keller v. American Sales Book Co.*, (W.D. N.Y., 1936) 16 F. Supp. 189.

¹¹ *Japan Gas Lighter Association v. Ronson Corp.*, (D.N.J., 1966) 257 F. Supp. 219.

¹² Judge Duniway speaking for the court *en banc* in *Maier Brewing Company v. Fleischmann Distilling Corp.*, (9 Cir. 1966) 359 F.2d 156, 162, affirmed 386 U.S. 744 (1967).